

1-1 By: Bettencourt, et al. S.B. No. 8
 1-2 (In the Senate - Filed August 6, 2021; August 7, 2021, read
 1-3 first time and referred to Committee on Local Government;
 1-4 August 7, 2021, reported favorably by the following vote: Yeas 8,
 1-5 Nays 0; August 7, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Bettencourt	X			
1-8 Menéndez	X			
1-9 Eckhardt	X			
1-10 Gutierrez	X			
1-11 Hall			X	
1-12 Nichols	X			
1-13 Paxton	X			
1-14 Springer	X			
1-15 Zaffirini	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the authority of a person who acquires a residence
 1-20 homestead to receive an ad valorem tax exemption for the homestead
 1-21 in the year in which the property is acquired and to the protection
 1-22 of school districts against the resulting loss in revenue.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 11.42, Tax Code, is amended by adding
 1-25 Subsection (f) to read as follows:

1-26 (f) A person who acquires property after January 1 of a tax
 1-27 year may receive an exemption authorized by Section 11.13, other
 1-28 than an exemption authorized by Section 11.13(c) or (d), for the
 1-29 applicable portion of that tax year immediately on qualification
 1-30 for the exemption if the preceding owner did not receive the same
 1-31 exemption for that tax year.

1-32 SECTION 2. Section 11.43(d), Tax Code, is amended to read as
 1-33 follows:

1-34 (d) To receive an exemption the eligibility for which is
 1-35 determined by the claimant's qualifications on January 1 of the tax
 1-36 year, a person required to claim an exemption must file a completed
 1-37 exemption application form before May 1 and must furnish the
 1-38 information required by the form. A person who after January 1 of a
 1-39 tax year acquires property that qualifies for an exemption covered
 1-40 by Section 11.42(d) or (f) must apply for the exemption for the
 1-41 applicable portion of that tax year before the first anniversary of
 1-42 the date the person acquires the property. For good cause shown the
 1-43 chief appraiser may extend the deadline for filing an exemption
 1-44 application by written order for a single period not to exceed 60
 1-45 days.

1-46 SECTION 3. Section 23.23, Tax Code, is amended by adding
 1-47 Subsection (c-1) to read as follows:

1-48 (c-1) For purposes of Subsection (c), an owner who receives
 1-49 an exemption as provided by Section 11.42(f) is considered to have
 1-50 qualified the property for the exemption as of January 1 of the tax
 1-51 year following the tax year in which the owner acquired the
 1-52 property.

1-53 SECTION 4. Chapter 26, Tax Code, is amended by adding
 1-54 Section 26.1115 to read as follows:

1-55 Sec. 26.1115. CALCULATION OF TAXES ON RESIDENCE HOMESTEAD
 1-56 GENERALLY. (a) If an individual receives one or more exemptions
 1-57 under Section 11.13 for a portion of a tax year as provided by
 1-58 Section 11.42(f), except as provided by Subsection (b) of this
 1-59 section, the amount of tax due on the property for that year is
 1-60 calculated by:

1-61 (1) subtracting:

2-1 (A) the amount of the taxes that otherwise would
 2-2 be imposed on the property for the entire year had the individual
 2-3 qualified for the exemptions for the entire year; from

2-4 (B) the amount of the taxes that otherwise would
 2-5 be imposed on the property for the entire year had the individual
 2-6 not qualified for the exemptions during the year;

2-7 (2) multiplying the remainder determined under
 2-8 Subdivision (1) by a fraction, the denominator of which is 365 and
 2-9 the numerator of which is the number of days in that year that
 2-10 elapsed before the date the individual first qualified the property
 2-11 for the exemptions; and

2-12 (3) adding the product determined under Subdivision
 2-13 (2) and the amount described by Subdivision (1)(A).

2-14 (b) If an individual receives one or more exemptions to
 2-15 which Subsection (a) of this section applies for a portion of a tax
 2-16 year as provided by Section 11.42(f) and the exemptions terminate
 2-17 during the year in which the individual acquired the property, the
 2-18 amount of tax due on the property for that year is calculated by:

2-19 (1) subtracting:

2-20 (A) the amount of the taxes that otherwise would
 2-21 be imposed on the property for the entire year had the individual
 2-22 qualified for the exemptions for the entire year; from

2-23 (B) the amount of the taxes that otherwise would
 2-24 be imposed on the property for the entire year had the individual
 2-25 not qualified for the exemptions during the year;

2-26 (2) multiplying the remainder determined under
 2-27 Subdivision (1) by a fraction, the denominator of which is 365 and
 2-28 the numerator of which is the sum of:

2-29 (A) the number of days in that year that elapsed
 2-30 before the date the individual first qualified the property for the
 2-31 exemptions; and

2-32 (B) the number of days in that year that elapsed
 2-33 after the date the exemptions terminated; and

2-34 (3) adding the product determined under Subdivision
 2-35 (2) and the amount described by Subdivision (1)(A).

2-36 (c) If an individual qualifies to receive an exemption as
 2-37 described by Subsection (a) with respect to a property after the
 2-38 amount of tax due on the property is calculated and if the effect of
 2-39 the qualification is to reduce the amount of tax due on the
 2-40 property, the assessor for each taxing unit shall recalculate the
 2-41 amount of the tax due on the property and correct the tax roll. If
 2-42 the tax bill has been mailed and the tax on the property has not been
 2-43 paid, the assessor shall mail a corrected tax bill to the individual
 2-44 in whose name the property is listed on the tax roll or to the
 2-45 individual's authorized agent. If the tax on the property has been
 2-46 paid, the collector for the taxing unit shall refund to the
 2-47 individual who paid the tax the amount by which the payment exceeded
 2-48 the tax due.

2-49 SECTION 5. Section 39.082, Education Code, is amended by
 2-50 adding Subsection (c-1) to read as follows:

2-51 (c-1) The system may not include an indicator under
 2-52 Subsection (b) or any other performance measure that penalizes a
 2-53 school district for failure to collect the amount of taxes equal to
 2-54 the total amount of tax refunds provided under Section 26.1115(c),
 2-55 Tax Code.

2-56 SECTION 6. Section 48.202, Education Code, is amended by
 2-57 adding Subsection (e-1) to read as follows:

2-58 (e-1) For purposes of this section, the total amount of
 2-59 maintenance and operations taxes collected by a school district
 2-60 includes the amount of taxes refunded under Section 26.1115(c), Tax
 2-61 Code.

2-62 SECTION 7. Subchapter F, Chapter 48, Education Code, is
 2-63 amended by adding Section 48.2541 to read as follows:

2-64 Sec. 48.2541. ADDITIONAL STATE AID FOR CERTAIN AD VALOREM
 2-65 TAX REFUNDS. For each school year, a school district, including a
 2-66 school district that is otherwise ineligible for state aid under
 2-67 this chapter, is entitled to state aid in an amount equal to the
 2-68 amount of all tax refunds provided under Section 26.1115(c), Tax
 2-69 Code.

3-1 SECTION 8. This Act applies only to a residence homestead
3-2 acquired on or after the effective date of this Act.
3-3 SECTION 9. This Act takes effect January 1, 2022.

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